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EXCOM 9142-80

18 November 1980

MEMORANDUM FOR: Executive Committee Members

FROM:

SA/DDCI

SUBJECT : Minutes of Executive Committee Meeting, 12 November 1980,
(a) Long-Range Planning: Overseas Presence
(b) Compensation for Overseas Personnel
(c) Clandestine Technical Collection Proposal (S)

1. The Executive Committee met on 12 November 1980 to review the three issues listed above. Participants included the DDCI; Messrs. Clarke (D/NFAC); Taylor (ADDS&T); Hart (ADDA); Stein (ADDO); Lipton (Compt.); Ware (D/EEO); Briggs (IG); Silver (GC); Hineman (DD/NFAC); and Fitzwater (D/OPPPM). (AIUO)

2. Overseas Presence. [] head of the planning team that examined the overseas presence issue, introduced his team members and highlighted the major points of their paper. Noting that the team considered the key problem to be maintaining an effective Agency overseas presence in the eighties, [] listed four issues requiring Executive Committee guidance: [] a staff training complement, and incentives for overseas service. Regarding the team recommended negotiations with OMB to base the Agency's ceiling on the number of overseas positions authorized in the Agency budget. Mr. Carlucci noted his recent meeting with OMB at which OMB confirmed that [] ceilings would agree with budget ceilings, and there would be no subceilings. After some discussion on whether or not the Department of State would actually implement this decision in the field, Mr. Carlucci asked the Comptroller to work with DDO in looking into any problems that might surface in this area. (S)

[] Mr. Carlucci suggested that the latter could be proposed to the new Administration. He also noted that it would be appropriate to raise with the transition team the possibility of an Executive Order requesting cooperation [] from other government agencies. Noting the Agency's diminishing cadre of qualified linguists, [] said that his team endorsed the recent (19 September 1980) NAPA report recommendation to establish a language development complement equivalent to six percent of the Unit Language Requirements. Mr. Carlucci said that he would be sympathetic to moving in that direction and advised that the NAPA recommendations are scheduled for Executive Committee review on 24 November. [] then reviewed his team's

recommendation that some form of additional cash incentives be provided to recognize and reward people for serving overseas. Mr. Carlucci then suggested that Mr. Fitzwater brief the Committee on his proposal for overseas compensation. (S)

4. Compensation for Overseas Personnel. Mr. Fitzwater outlined several options considered for providing monetary incentives for overseas service, including a separate overseas pay scale, an overseas allowance or bonus plan, and the granting of additional step increases while overseas. He then explained his recommended graduated step increase system for providing personnel not affected by the pay ceilings an average of an additional \$1300 a year while serving overseas. (This amount was for illustrative purposes only and could be set at whatever the Committee desired by changing the multiplier.) Advantages of this system include the following: It would send a positive signal and recognize and partially compensate for stressful conditions of overseas employment; it would assist those at the lower ends of the pay scale; and it would be easy to implement and administer. Mr. Lipton said that the Agency could not afford such a system without a supplemental appropriation. The earliest one that could be obtained would be in May. He also noted his preference for giving people an extra step increase while serving overseas rather than manipulating the current GS scale. (S)

5. After some discussion of the pros and cons of the OPPPM options and preferred recommendation, Mr. Hart suggested that Agency overseas personnel be converted to the recently enacted FSO pay scale. He noted that the Departments of Commerce and Agriculture intended to do so. In response to Mr. Stein's concern that the Agency would [redacted] at high enough pay levels, Mr. Hart said that they could be put in PRA status. As an alternative to converting to the FSO scale, Mr. Stein suggested the possibility of dropping the current Civil Service GS system and developing a new pay system that would meet CIA's needs. He commended a recent memorandum on this topic by a member of the General Counsel's staff to the Committee. (S)

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6. After extensive discussion, Mr. Carlucci requested that this issue be addressed in two parts. First, he asked Messrs. Fitzwater and Lipton to develop a proposal that would bring the pay of CIA overseas personnel in line with the new FSO pay scales in the near term. Second, he asked Mr. Fitzwater to form a group of appropriate Agency representatives to look at alternatives for a longer range solution, including the possibility of developing an entirely new pay structure for the Agency. (AIUO)

7. Mr. Carlucci moved the meeting into a closed session for a briefing on a clandestine technical collection proposal. (S)

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Incentives and Disincentives for Overseas Service

I. Background

- a. CIA has a continuing need for a large cadre of highly qualified and motivated employees overseas.
- b. During the 1950's and 1960's employees had strong motivations for overseas service. Morale and esprit were high. Employees believed they were a part of a unique and elite organization and that their special contributions were recognized and appreciated. Disincentives were either non-existent or of lesser degree than today.
- c. As perceived by employees today, incentives for overseas service are being neutralized by disincentives.

II. Current Status

A. Incentives for Overseas Service

- a. Quarters, post, transfer, and other allowances, were developed to permit the employee and family to maintain a living standard overseas comparable to that in the United States.
- b. Employees in career tracks that require overseas duty realize that career advancement depends, to a large extent, on their willingness to accept overseas assignments that are not always consistent with their personal desires and convenience.
- c. Some employees go overseas because:
 1. they have commitment and dedication to their Agency and country; and,
 2. they find their professions personally rewarding.

Provided to transition team

B. Disincentives for Going Overseas

- a. Employees increasingly believe that their contributions and the sacrifices inherent in overseas service are not adequately recognized and appreciated.
- b. Hardships imposed by the cost-of-living and the devalued dollar, lack of adequate medical care, poor sanitation, limitations on movement, foreign languages, substandard school facilities, lack of recreational facilities, and inadequate protection against crime.
- c. Increased susceptibility to terrorist activities resulting from disclosure of employees' names and growing real concern for the protection of self and family.

d.



- e. Cover-induced reduction in status and perception of declining benefits combined with harder and more complex responsibilities in relation to the Agency employees' mission contemporaries.
- f. Host country, cover and legal limitations on operational activities.
- g. Decrease in foreigners' respect and trust in the United States Government in general and particularly in the CIA's ability to protect secrets.
- h. Deferral of career aspirations of the spouse because of the limited job opportunities at overseas posts.
- i. Reluctance of the employee and family to continually relocate, separation from relatives and friends, and disruption of the educational progression of dependent children.

III. Current Problems/Issues

We are deeply concerned about the above disincentives because they adversely impact on our ability to perform the Agency's foreign mission.

IV. Recommended CIA Position

We are presently working to develop entitlements and allowances to counter disincentives and return the esprit of our overseas staff to the level that existed in the 1950's and 1960's. This will require the Administration's support and commitment for additional fiscal and personnel resources.

AS OF 7 NOVEMBER 1980

TENTATIVE EXECUTIVE COMMITTEE CALENDAR

DATE	SUBJECT	COMPONENT
*Wednesday, 11/12/80 1500-1630	1. Planning Issues: Overseas Presence 2. Compensation for Personnel Serving Overseas **3. Closed Session: CTC Proposal	EXCOM Staff D/OPPPM NFAC
Monday, 11/17/80 1500-1630	Planning Issues: Intelligence Collection; Soviet/East European Intentions	EXCOM Staff
*Monday, 11/24/80 1500-1600	Decisions on NAPA Report on Language Incentive Program	DDA
Wednesday, 12/3/80 1500-1630	Planning Issues: Review and Decisions	EXCOM Staff
Wednesday, 12/10/80 1500-1630	Planning Issues: Review and Decisions	EXCOM Staff

*Change of date, time or subject from previous calendar.

**Attendance limited to DCI, DDCI, D/NFAC, DDO, DDS&T, Compt., SA/DDCI

NOTE: All meetings will be held in the DCI Conference Room (7D-64) unless otherwise noted.

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